

**TERM SHEET FOR 2019-20 54EC SERIES - III**

Security Name	IRFC Capital Gain Tax Exemption Bonds –Series III
Issuer	Indian Railways Finance Corporation Limited
Type of Instrument	Secured, Redeemable, Non-Convertible, Non-Cumulative, Taxable Bonds in the nature of Debentures having benefits under Section 54 EC of Income Tax Act, 1961
Nature of Instrument	Secured
Seniority	Senior
Mode of Issue	Private placement basis
Eligible investors	<ol style="list-style-type: none"> <li>1. Individuals</li> <li>2. Hindu Undivided Families (HUF)</li> <li>3. Partnership firm</li> <li>4. Insurance Companies</li> <li>5. Companies and Body Corporates</li> <li>6. Provident Funds, Superannuation Funds and Gratuity Funds</li> <li>7. Banks</li> <li>8. Mutual Funds</li> <li>9. Financial Institutions (FIs)</li> <li>10. Foreign Portfolio Investors (Subject to existing regulations)</li> <li>11. Regional Rural Banks</li> <li>12. NRIs/other foreign eligible investor investing out of NRO A/c on non-repatriable basis subject to applicable laws</li> <li>13. Co-operative Banks</li> <li>14. Limited liability Partnership</li> <li>15. Any other category subject to applicable laws</li> </ol> <p>However, out of the aforesaid class of investors eligible to invest, this Information Memorandum is intended solely for the use of the person to whom it has been sent by IRFC for the purpose of evaluating a possible investment opportunity by the recipient(s) in respect of the Bonds offered herein, and it is not to be reproduced or distributed to any other persons (other than professional advisors of the prospective investor receiving this Information Memorandum from IRFC).</p>
Listing	The Bonds are not proposed to be listed on any stock exchange due to non-transferability during the tenure of Bonds.
Rating	CRISIL AAA 'Stable', ICRA AAA, CARE AAA
Issue size	₹ 500 crore + Green Shoe option to retain oversubscription
Object of the Issue	The funds shall be used for meeting the funding requirement of Indian Railways. The proceeds of the bond issue(s) will be used for acquisition of Rolling Stock (Railway Assets) to be leased out to Indian

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		Railways / funding Bankable Railway Projects of RVNL approved by MOR and as contained in the annual budget estimates presented before Parliament
Details of utilization of the proceeds		As per objects of the Issue
Tenor		5 years from the deemed date of allotment
Coupon Rate		5.75% p.a.
Coupon frequency	Payment	Annual
Coupon dates:-	payment	Every year on 15 October till redemption and balance along with redemption.). First Interest payment for bonds whose money has been credited in to IRFC account till September 30, 2019 will be made on October 15, 2019. For Bonds in respect of which money has been credited into IRFC account after September 30, 2019 will be paid on October 15 of next year and onwards.
Coupon type		Fixed
Day count basis		Actual/Actual
Date of Redemption		At the end of 5 years from the Deemed Date of Allotment.
Redemption amount		At par (Rs 10,000/- per Bond)
Redemption Premium/Discount		Not applicable
Face Value		Rs. 10,000 (Rupees Ten Thousand only) per bond
Issue Price		At par (Rs 10,000/- per bond)
Minimum application size and in multiple of thereafter		Application must be for a minimum size of Rs 20,000 and then in multiple of Rs 10,000/- (1 bond) thereafter
Maximum application size		500 bonds of Rs 10,000/- each (Rs. 50,00,000/-)
Discount / Premium at which security is issued		Not applicable
Put Option		Not applicable
Call Option		Not applicable
Issue Opening date & closing date		Issue Opening Date: April 1, 2019 Issue Closing Date: March 31, 2020 (at the close of the banking hours) or at a date as may be decided by IRFC in its absolute discretion. This Information Memorandum shall be valid tenure of the bonds.
Deemed Date of allotment		Last day of each month in which the subscription money is received and credited to IRFC Capital Gain Bonds
Transferability		Non-transferable, Non-Marketable, Non-negotiable and cannot be offered as a security for any loan or advance

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Issuance mode of instrument	In demat / physical mode.
Depository	National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL")
Business Days/Working Days	"Business Days"/ "Working Days" shall be all days on which money market is functioning in Mumbai. However, for the purpose of credit of Demat A/c, Working Days shall be all days on which NSDL/CDSL are open for business.
Effect of holidays (Note 1)	<p>If any Coupon Payment Date falls on a day that is not a Business Day, the payment shall be made by the Issuer on the immediately succeeding Business Day along with interest for such additional period. Further, interest for such additional period so paid, shall be deducted out of the interest payable on the next Coupon Payment Date.</p> <p>If the Redemption Date (also being the last Coupon Payment Date) of the Bonds falls on a day that is not a Business Day, the redemption proceeds shall be paid by the Issuer on the immediately succeeding Business Day without any interest for period overdue.</p> <p>In the event the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date.</p>
Record Date	15 calendar days prior to actual interest/principal payment date.
Security	The Bonds, interest and charges, remuneration of Bond Trustees, other costs and amount payable in respect of the Bonds will be fully secured by pari-passu charge on the rolling stock assets of the Company in favour of Bond Trustees
Registrar & Transfer Agent	M/s Karvy Fintech Pvt Ltd. (formerly known as M/s Karvy Computershare (P) Ltd.
Mode of Subscription	Applicants may make remittance of application money through electronic mode or cheque / draft drawn in favour of 'IRFC Capital Gain Bonds'.
Trustees	SBI Caps Trustee Company Limited
Governing Law and Jurisdiction	The Bonds shall be construed to be governed in accordance with Indian Law. The competent Courts in New Delhi alone shall have jurisdiction in connection with any matter arising out of or under these precincts.

